



COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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October 12, 2004

IN REPLY PLEASE
REFER TO FILE: PD-1

TO: Each Supervisor

FROM: Donald L. Wolfe
Interim Director of Public Works

ALAMEDA CORRIDOR EAST (ACE) PROJECT SEPTEMBER 27, 2004, MEETING

On September 27, 2004, a member of my staff attended the regular meeting of the San Gabriel Valley Council of Governments-ACE Construction Authority. A copy of the agenda and the adopted minutes of the August 23, 2004, meeting are attached. The following items occurred at the meeting, which are of interest to the County.

Under Agenda Item V, the Chief Executive Officer gave an update regarding the approximately \$68 million in Traffic Congestion Relief Program funds that have yet to be distributed to the ACE Construction Authority. The Los Angeles County Metropolitan Transportation Authority has recently approved an \$85 million cash advance to ACE projects. This advance is considered a loan and will need to be repaid once the Traffic Congestion Relief Program funds become available. The ACE Construction Authority intends to use the \$85 million to fund the construction of the Brea Canyon and Sunset Avenue Grade Separation projects.

Under Agenda Item VI, the Chief Executive Officer provided an update on Phase I Grade Separation project funding. It was reported that the lowest responsible bid for the construction contract for the Ramona Boulevard Grade Separation project increased the overall project cost by \$4.9 million above the previously estimated cost of \$33 million. In light of this data and recent trends in construction pricing, the ACE Construction Authority has also increased the overall construction estimate for the Sunset Avenue Grade Separation project by \$4 million to \$50.5 million. If no additional funding is identified, these increases in projected costs will create a gap in available funding, which may limit the ACE Construction Authority's ability to construct these and other previously planned grade separation projects. The Chief Executive Officer reported that if no additional funding is secured, contractor-constructed portions of affected projects may remain unfunded. However, work that was to be completed by the railroad may be postponed until additional funding becomes available. More details will be provided in the near future.

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Under Agenda Item VII, the Chief Executive Officer recommended and the Board unanimously approved the award of the Ramona Boulevard Grade Separation project to the lowest responsible bidder, Brutoco Engineering and Construction, in an amount not to exceed \$17,721,474.85. The apparent low bidder at the time of the bid opening, Griffith Company, was determined to be nonresponsive based on an incomplete bid.

Under Agenda Item IX, the ACE Construction Authority's Disadvantaged Business Enterprise goal of 20 percent for Fiscal Year 2004-05 was unanimously approved by the Board.

The next meeting of the ACE Construction Authority Board will be on October 25, 2004, at the Irwindale City Hall at 2 p.m.

RB:dp

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Attach.

cc: Chief Administrative Office
Executive Office



Alameda Corridor-East Construction Authority

4900 Rivergrade Rd. Ste A120 Irwindale, CA 91706 (626) 962-9292 fax (626) 962-3552 www.theaceproject.org

REGULAR MEETING AGENDA Monday, September 27, 2004, 2 P.M. Irwindale City Hall - Council Chambers 5050 Irwindale Avenue Irwindale, CA 91706

Members of the public may comment on any item on the agenda at the time it is taken up by the Board. We ask that members of the public come forward to be recognized by the Chair and keep their remarks brief. If several persons wish to address the Board on a single item, the Chair may impose a three-minute time limit on individual remarks at the beginning of discussion.

All items set forth on this agenda may be subject to action.

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| I. Roll Call and Introductions | |
| II. Approval of Minutes - Regular Meeting of August 23, 2004 (Pages 1-3) | Action |
| III. Public Comment | |
| IV. Chairman's Remarks | Information |
| V. Chief Executive Officer's Report (Pages 4-12) | Information |
| VI. Update on Phase I Project Funding | Information |
| VII. Approval of Award of Ramona Blvd. Grade Separation Construction Contract (Pages 13-16) | Action |
| • Staff Recommendation | |
| • Submittal from Griffith Company | |
| VIII. Approval to Establish Section 401(K) and Retirement Health Savings Account (Pages 17-18) | Action |
| IX. Adoption of Annual Disadvantaged Business Enterprise (DBE) Goal for Federal FY 2005 (Pages 19-33) | Action |
| X. Adjournment | Action |

The ACE Construction Authority is currently constituted of seven (7) member jurisdictions: the City of El Monte, the City of Industry, the City of Montebello, the City of San Gabriel, the City of Pomona, the County of Los Angeles, and the San Gabriel Valley Council of Governments. A San Bernardino County Council of Governments representative is an ex officio Board member.

Each member or alternate has one vote. A quorum of the ACE Construction Authority is no less than four (4) of its total voting membership. Actions taken by the ACE Construction Authority shall be by simple majority of the members present with a quorum in attendance except for personnel actions, the annual budget, matters dealing with the Administrative Code or matters requiring subsequent approval by the SGVCOG, all of which shall require five (5) votes.



**ACE Construction Authority
Regular Board Meeting
August 23, 2004
Minutes**

Chairman Harry Baldwin called the meeting to order at the Irwindale Council Chambers on August 23, 2004 at 2:09 PM.

1. In attendance were:

Harry Baldwin, San Gabriel
Ernest Gutierrez, El Monte
Bob Huff, Diamond Bar
George Hunter, Pomona
Jack Phillips, Industry
Ed Vasquez, Montebello
Mike Miller, West Covina, SGVCOG
Paul Eaton, SANBAG

Staff

Rick Richmond, Chief Executive Officer
Joe Montes, Legal Counsel
Sharon Neely, staff
Deanna Stanley, staff
Cynthia Ambrose, staff
Girish Roy, staff

Guests

Robert Van Riel, Senator Nell Soto
Jim McDermott, McDermott Consulting
Raul Kumar, Foothill Transit

2. Approval of Regular Meeting minutes of July 19, 2004.

A motion was made to approve the meeting minutes of July 19, 2004.
M/S/C: Gutierrez/Vasquez/Unanimous

3. Public Comments

There were no public comments.

4. Chairman's Remarks

Chairman Baldwin indicated he attended the MTA Mobility Summit on August 3rd and the consensus was to continue to work with state and federal officials for obtaining additional financing of transportation infrastructure. In addition the Chair reported that on August 6th Senator Nell Soto held a transportation meeting at Montclair City Hall to discuss transportation issues including goods movement and the status of the ACE Project. On August 13th, Assembly member

Gloria Negrete-McCloud held a meeting at Ontario City Hall with her district cities to discuss the status of the ACE Project. Assemblymembers Dymally, Longville, Chu and Mountjoy also attended. The staff provided a copy of the project video and power point presentation for the update. The Chairman invited interested parties to attend the national Rail Revolution Conference scheduled for September 20-22 in Hollywood. Copies of the program were made available. Lastly, the Chairman invited interested members to attend the September 4th San Gabriel City walk.

5. Chief Executive Officer's Report

Rick Richmond noted that construction bids would be opened for the Ramona Blvd. project in El Monte on August 24th. The CEO gave the board a brief update of the state budget actions affecting funding for the ACE Project. He discussed AB 687 (Nunez) and that the bill includes a provision for \$289 million for new allocations of Traffic Congestion Relief Program (TCRP) funds if the gaming initiatives on the November ballot fail. The Authority has \$68 million in TCRP funds on hold pending restoration of the state funding. Mr. Richmond reviewed construction progress photos of the Nogales Street grade separation project. Jim Connolly, Bechtel-Korve Program Manager, provided a summary of the program management activities over the last month.

A six-month update of the ACE Project Video was shown to the Board. The updated video has been distributed to local cable stations, cities, state officials, federal officials and local business chambers.

6. Property Acquisition and Relocation Update

Mr. Richmond distributed information and provided a presentation overview on the status of the Authority Property Acquisition and Relocation Program for five projects (Nogales; Reservoir, East End; Ramona; and Temple). The presentation included sample before/after pictures of relocated businesses, tenants, and residents for the Ramona Street grade separation project in El Monte. Mr. Richmond indicated of the nine relocations, seven were relocated within the City of El Monte. The analysis indicated that \$2.1 million had been paid to relocated businesses and \$322,000 in relocated payments to residential displacees. Staff will continue to provide updates of the program to the board.

7. Closed Session

Joe Montes, ACE Legal Counsel announced the Board would adjourn to closed session in accordance with Government Code Section 54956.8 to discuss to real property negotiations and in accordance with Government Code Section 54957 to discuss the performance evaluation of the Chief Executive Officer.

The Board reconvened and Legal Counsel announced the following actions were unanimously taken by the Board:

Accept the evaluation of the Chief Executive Officer and recommend continuing employment.

Approval of an all-inclusive payment for settle relocation claim to A&B Auto Repair in the amount of \$32,500.

Approval of an all-inclusive payment for settle relocation claim to JP Engine, Inc. in the amount of \$425,000.

8. Compensation of Chief Executive Officer

The Board discussed that the Chief Executive Officer was eligible for a performance increase effective May 15th. Discussion ensued regarding the compensation of the Chief Executive Officer. Chairman Baldwin indicated it was the unanimous opinion of the Board that the performance of the CEO continues to be exemplary. After discussion, a motion was made to approve a 3.5% salary increase for Rick Richmond retroactively to the anniversary date of his employment. M/S/C: Huff/Vasquez/Unanimous

9. Adjournment

A motion was made to adjourn the meeting at 3:25PM
M/S/C: Gutierrez/Vasquez/Unanimous